MERLYNN

Alert Decision Engine
Financial Crime AI Technology

Anti-Money Laundering / Combating Terrorist Financing

ADE Alert Decision Engine

When it comes to AML/ CTF compliance one of the biggest challenges facing banks and accountable institutions, is the ability to responsibly manage excessive volumes of suspicious transaction alerts within the constraints of a finite human workforce.

By cloning the organization's top human analysts Alert Decision Engine provides unlimited capacity to more efficiently and effectively manage alert volumes, absorb alert spikes and reduce the risk of non-compliance.

The Challenge

AML regulation requires that suspicious activities are reported to the regulator and investigated within defined time frames.
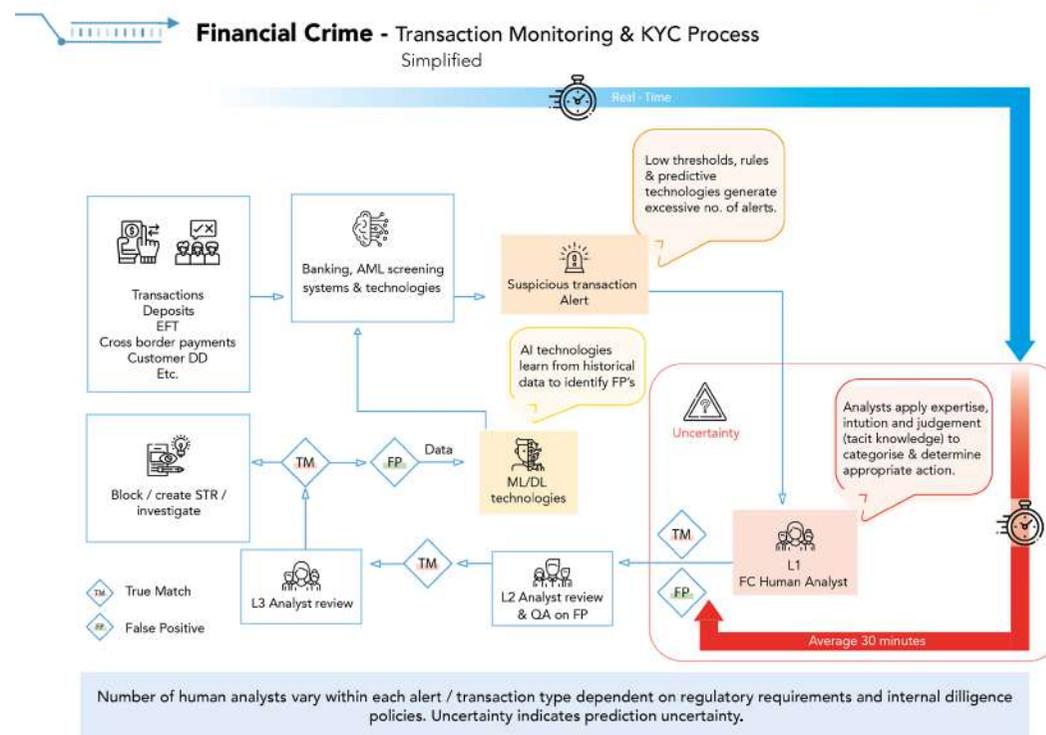
In order to comply, banks invest in monitoring technologies which detect potentially illicit behavior. These generate "alerts" which are reviewed by financial crime analysts. Each alert takes on average 30 minutes* to review. Despite the deployment of large teams of analysts, finite human resources are unable to manage increasing alert volumes and volatility (spikes). This capacity constraint often leads to a breach of regulatory reporting requirements and timelines.

In an attempt to reduce alert volumes, banks are investing in various data driven AI technologies which learn from historical data records (previous decisions) to identify and reduce false positives.
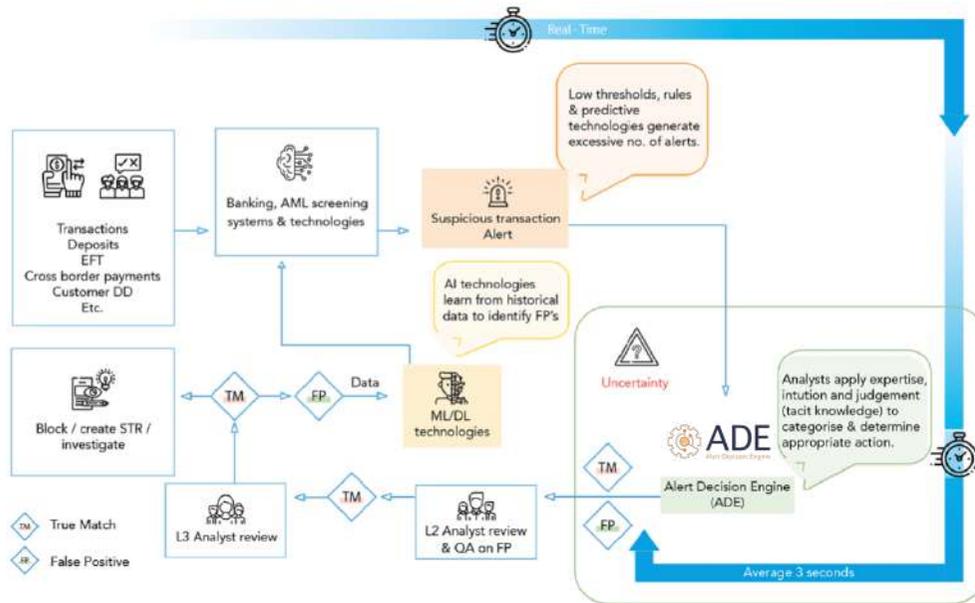
Our approach is to digitally replicate human expertise to make decisions in real-time and enable organizations to digitally scale their workforce.

Alert Decision Engine provides a next generation solution in the form of a "Virtual" level 1 Analyst - with unlimited capacity to assess alerts 24/7.

*varies per alert type

Financial Crime - Transaction Monitoring & KYC Process
Simplified

Real - Time

Transactions
Deposits
EFT
Cross border payments
Customer DD
Etc.

Banking, AML screening systems & technologies

Suspicious transaction Alert

Low thresholds, rules & predictive technologies generate excessive no. of alerts.

AI technologies learn from historical data to identify FP's

Uncertainty

Analysts apply expertise, intution and judgement (tacit knowledge) to categorise & determine appropriate action.

Block / create STR / investigate

TM — FP — Data

ML/DL technologies

TM

L1 FC Human Analyst

TM — FP

TM

L3 Analyst review

L2 Analyst review & QA on FP

Average 30 minutes

△ True Match

False Positive

Number of human analysts vary within each alert / transaction type dependent on regulatory requirements and internal dilligence policies. Uncertainty indicates prediction uncertainty.

Financial Crime - Transaction Monitoring & KYC Process including Alert Decision Engine in current workflow Simplified

NEXT GENERATION SOLUTION
ALERT DECISION ENGINE

Alert Decision Engine (ADE) is a complementary technology, which digitally replicates the decisions made by AML analysts. ADE **provides organizations with unlimited capacity to process alerts 24/7, 365 days a year reducing the risk of non-compliance.**

ADE is trained by the bank's most knowledgeable and experienced experts (level 3 analysts), however it is positioned as a first line of defence- level 1 analyst.

ADE removes uncertainty by identifying false positives thereby allowing human experts to spend their time more effectively and efficiently on true matches. Decisions can be fed back into machine learning technologies to add further intelligence to existing solutions.

TOM™
Technology

Alert Decision Engine (ADE) powered by our proprietary TOM™ technology requires no historical data as it rapidly learns from the human expert through a simulation process.

ADE is able to replicate **"tacit knowledge"** - human judgment and intuition essential to detecting suspicious behavior which may not be evident in data. Virtual experts are able to process alerts at speeds of up to **20,000 records per second.** Model refinement allows for rapid updates to accommodate fast changing risk environments. Models are downloaded via API and can be hosted on-prem or in the cloud.

For more information
www.merlynn-ai.com

QUANTIFIABLE IMPACT?

Our calculator provides the quantifiable impact specific to your organization

Request Calculator Demo

Decision
Accuracy
99%

Decision Time:
**30 minutes
to 3 seconds**